



American Rescue Plan
Non-Entitlement Unit Support
Kansas Office of Recovery
June 3, 2021

Today's objectives



Summarize Treasury guidance for NEUs and eligibility determination process

Share plan for NEU fund distribution and engagement between RO and NEUs

Review timetable and next steps

The Office of Recovery's **mission and purpose** is to deliver **maximum impact** with COVID-19 relief funding for Kansans

RO has purview over various funding..



Overall ARPA enablement



State Fiscal Recovery Funds

Local Fiscal Recovery Funds

State agency program funding



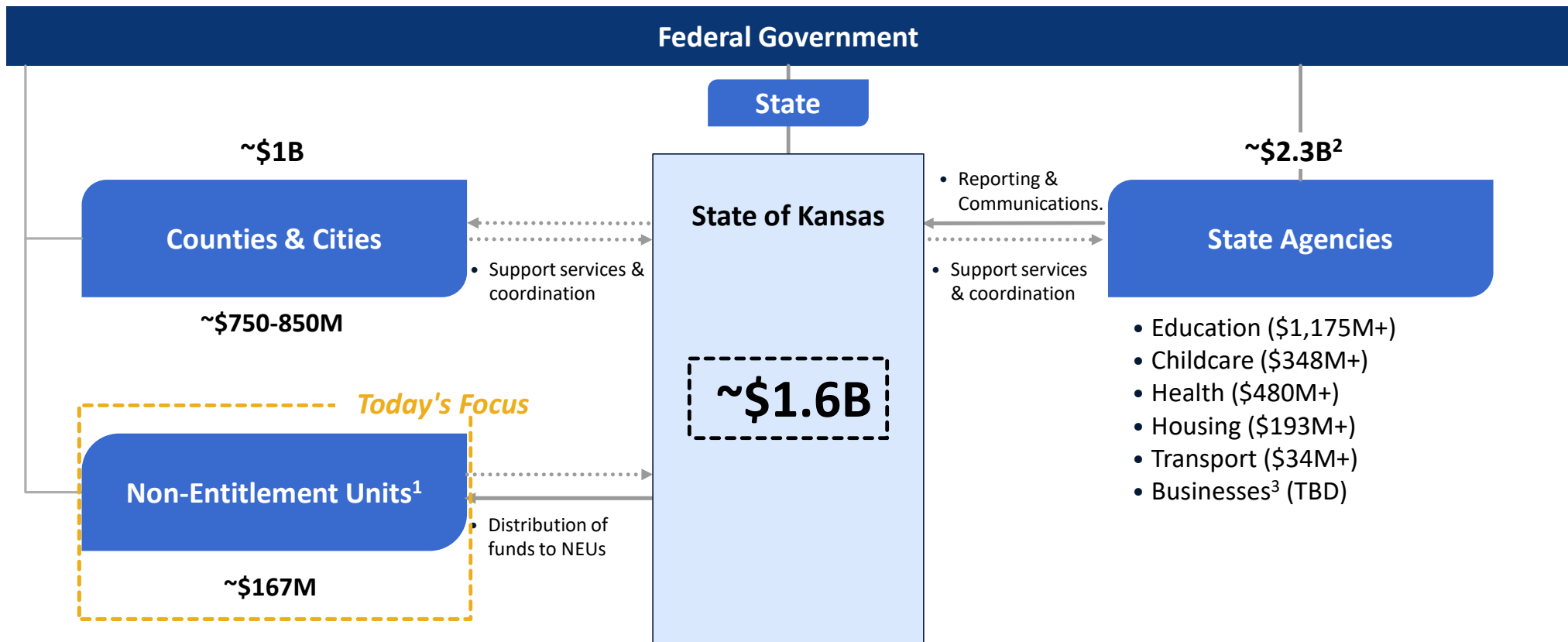
Other COVID-19 federal funding
(CARES Act, CAA, etc.)

..and will deliver impact by:

- 1 Ensuring all funds allocated to Kansas are spent on areas, initiatives, and programs that meet the needs of Kansans
- 2 Coordinating across stakeholders in charge of spending and distributing funding to optimize impact across areas of needs

ARPA State & Local Funds

ARPA funding will flow to Non-Entitlement Units via State of Kansas



1. A Non-Entitlement Unit (NEU) is a city with a population of less than 50,000. Under federal law, generally, a "metropolitan city" is defined as a city with a population greater than or equal to 50,000. Under the provisions of ARPA, NEUs are Non-entitlement Units of Local Government, or a city that is not a metropolitan city. 2. Final value dependent on final funding formulas, application-based awards, etc. 3. Funds awarded directly to applicants (e.g., airports, farmers, restaurants); opportunity for agency to facilitate/support

Treasury Guidance and NEU Eligibility Determination



Updated Treasury Guidance

On Monday, May 10th Treasury released the following [guidance information](#):

- Interim Final Rule
 - *Issued without advance notice and public comment to allow for immediate implementation of the program*
 - *Comments still being accepted, must be submitted on or before 60 days from date of publication or by July 10, 2021.*
- Fact Sheet
- Frequent Asked Questions
 - *Updates already released on May 24th and May 27th*
- Quick Reference Guide

Treasury guidance for NEUs

On Monday, May 24th Treasury released **additional guidance information related to Non-Entitlement Units (NEUs)**:

- Guidance on distribution of funds to NEUs
- List of local governments
 - Kansas was classified as one of eight **Weak-Minor Civil Division (MCD) states**
- NEU definitional and data methodology
- NEU checklist for requesting initial payment (*See slide 15 and State FAQ Q.G*)
- Award terms and conditions for non-entitlement units of local government
- Assurances of compliance with Title VI of the Civil Rights Act of 1964

Treasury Guidance - Administrative Highlights

Both the State of Kansas and NEUs will receive funding in **two 50% tranches** (disbursements) 12 months apart

Funds **must be obligated (under contract) by 12/31/2024** but additional two years (12/31/2026) to expend and liquidate

NEUs will be required to **submit a project and expenditure report annually** to federal government

Funds **can be used for administrative purposes**

Potential allowable uses of NEU funds

Allowable Uses

- 1 Respond to the **public health emergency** with respect to COVID-19 or its negative **economic impacts**, including assistance to:
 - Households, small businesses, and nonprofits
 - Aid to impacted industries (e.g. tourism, travel, hospitality)
- 2 **Provide premium pay**¹ for public employees that are performing essential work, or by providing grants to eligible employers that have eligible workers who perform essential work
- 3 **Provide government services** to the extent of reduction in revenue due to COVID-19 relative to revenues collected in most recent full fiscal year
- 4 Make **necessary investments** in water, sewer, or broadband infrastructure

Potential expenditures

- Direct financial relief payments to residents
- Direct financial relief payments to local businesses
- Investment in public health equipment (e.g. hand sanitizer, PPE), etc.)
- Premium pay for employees
- Revenue loss
- Water tanks
- Sewer infrastructure
- Broadband equipment

1. Up to \$13 per hour—premium amount may not exceed \$25,000 with respect to any single eligible worker

Recovery Office Support



Distribution of Non-entitlement Unit (NEU) funds

NEUs must take action to receive funding

- Eligible NEUs must **provide key data and signed agreements** before funds can be distributed
- An **application portal** is being established by the State of Kansas for the NEUs
 - Additional instructions to follow

NEU funds will be distributed by State

- Allocation amounts for NEUs are based on **population proportionality** and are **capped at 75%** of the 2020 budget (as of January 27, 2020)
- Allocation amounts can't be confirmed until the eligible population is confirmed
- These amounts will be distributed in **two separate payments** by Kansas
 - 50% distributed initially, 50% distributed 12 months later
- Payments will be **issued directly between 7/1/21 and 7/31/21**

Recovery Office resources for local governments

Resource	Content	Release Date
RO Website	Online location for all RO ARPA support materials, grouped by audience and user objective	Currently available, updated frequently
Inquiry Form	Space to raise ARPA questions and general inquiries for the RO <ul style="list-style-type: none"> • Frequently Asked Questions 	Released this week
Ongoing Communications	Consistent email communications, including: <ul style="list-style-type: none"> • Best practices, documents/templates • Treasury guidance • Reporting deadlines • Matching opportunities 	Monthly
Ongoing Webinars	Consistent monthly webinars, including: <ul style="list-style-type: none"> • High-level compliance and reporting support • Areas of need • Collaboration opportunities 	Bi-weekly
Shared Services Contract Vehicle	State contract vehicle available to Local Governments <ul style="list-style-type: none"> • Audit and compliance support • Grants management • Staff Augmentation 	Late-June
Job Aides/Templates	Sample resource materials <ul style="list-style-type: none"> • Reporting and Compliance • Grants Management • Needs Assessment and Coordination 	Ongoing – Starting Mid-June

Best Practices

Best practices local government should consider



Prioritization

- ☐ Review ARPA **allowable uses of funds**
- ☐ Identify **existing programs** that require ongoing funding
- ☐ Identify **unmet needs** that require new funding
- ☐ Refer to [**Bloomberg Cities Network**](#)



Collaboration

- ☐ Identify **Single Point of Contact** (SPOC) by subscribing to RO listserv
- ☐ Establish **partnerships with community based organizations**
- ☐ Engage with **other local, tribal governments and state agencies**



Operations

- ☐ Establish **organizational structure** to administer funds
- ☐ Establish mechanisms to **monitor use of funds** by subrecipients
- ☐ Ensure **administering entity** establishes necessary agreements with subrecipients and/or grantees

Next Steps

Next Steps (I of II)

Prepare for Application Submission to State of Kansas:

- Obtain or confirm a valid **DUNS number**
- Gather **key data for the application portal**:
 - Local government name, Entity's Taxpayer Identification Number, DUNS number, and address
 - Authorized representative name, title, and email
 - Contact person name, title, phone, and email
 - Financial institution information (e.g., routing and account number, financial institution name and contact information, certification of suspension and debarment)
- Review **award terms and conditions agreement** (as provided by Treasury to be signed)
- Review **assurances of compliance** with Title VI of the Civil Rights Act of 1964 (as provided by Treasury to be signed)

Next Steps (II of II)

Receiving funds:

- Review [Treasury Guidance](#)
- Identify funding being [directed to your region](#) (other local government and state agency funding)
- Register with [SAM.GOV](#)

Managing funds:

- Calculate [revenue loss](#) (if applicable)
- Conduct [needs assessments](#) – identify programmatic needs
 - Crosswalk programmatic needs with Treasury guidance
- Identify or establish [organizational structure to administer funds](#)
 - Including items such as internal controls, file retention, and process/policy documentation

Engaging with Recovery Office:

- Subscribe to [RO Listserv](#)
- Attend [Upcoming Webinars](#)
 - Utilize additional resources from the Office of Recovery



Appendix

Treasury Resources

- Interim Final Rule - <https://public-inspection.federalregister.gov/2021-10283.pdf>
- Fact Sheet - <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>
- Frequent Asked Questions - <https://home.treasury.gov/system/files/136/SLFRPFAQ.pdf>
- Quick Reference Guide - <https://home.treasury.gov/system/files/136/SLFRP-Quick-Reference-Guide-FINAL-508a.pdf>
- Allocation for Counties - https://home.treasury.gov/system/files/136/fiscalrecoveryfunds_countyfunding_2021.05.10-1a-508A.pdf
- Allocation for Metropolitan Cities - <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-metrocitiesfunding1-508A.pdf>

Treasury NEU Resources

- Guidance on Distribution of Funds to Non-entitlement Units of Local Government - https://home.treasury.gov/system/files/136/NEU_Guidance.pdf
- List of Local Governments – https://home.treasury.gov/system/files/136/List_of_Local_Governments.xlsx
- Non-entitlement Unit of Local Government Definitional and Data Methodology - https://home.treasury.gov/system/files/136/NEU_Methodology.pdf
- Non-entitlement Unit of Local Government Checklist for Requesting Initial Payment – https://home.treasury.gov/system/files/136/NEU_Checklist_for_Requesting_Initial_Payment.pdf
- Award Terms and Conditions for Non-entitlement Units of Local Government – https://home.treasury.gov/system/files/136/NEU_Award_Terms_and_Conditions.pdf
- Assurances of Compliance with Title VI of the Civil Rights Act of 1964 - https://home.treasury.gov/system/files/136/Title_VI_Assurances.pdf
- DUNs - Data Universal Numbering System <https://fedgov.dnb.com/webform/>
- System for Award Management - <https://sam.gov/content/home>
- NEU Methodology - https://home.treasury.gov/system/files/136/NEU_Methodology.pdf

Treasury Reporting Schedule

Report type	Applies to:	Dates included in report	Initial report due to Treasury	Subsequent reports due to Treasury	Included in Report
Interim Report	States, Territories, Metropolitan Cities, Counties, Tribal Governments	Date of Award - July 31, 2021	August 31, 2021	N/A	Expenditures by category at the summary level
Quarterly Project and Expenditure Report	States, Territories, Metropolitan Cities, Counties, Tribal Governments	Calendar Quarter	October 31, 2021	30 days after end of each quarter through project period	Financial data, information on contracts and subawards over \$50,000, types of projects funded, other information regarding recipient's utilization of funds
Annual Project and Expenditure Report	NEUs	Annually	October 31, 2021	October 31 each year through project period	Financial data, information on contracts and subawards over \$50,000, types of projects funded, other information regarding utilization of funds
Recovery Plan Performance Report	States, Territories, Metropolitan Cities, Counties >250K residents	Annually	August 31, 2021	30 days after each 12-month period	Funded projects, plans for project outcomes to be achieved, key performance indicators, programmatic data